

HOUSE No. 144

By Ms. Polito of Shrewsbury, petition of Karyn E. Polito and Shirley Gomes for legislation to direct the Teachers' Retirement Board to make an investigation and study relative to purchasing power protection for retiree benefits. Public Service.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATIVE TO THE PURCHASING POWER PROTECTION FOR RETIREE BENEFITS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The teachers' retirement board is hereby authorized and
2 directed to analyze, study and evaluate the costs and the actuarial
3 liabilities attributable to providing seventy-five percent pur-
4 chasing power protection for annuitants of the teachers' retire-
5 ment system. The teachers' retirement board shall also make
6 recommendations on implementing said purchasing power protec-
7 tion incrementally in order to secure seventy-five percent pur-
8 chasing power protection for annuitants of the teachers'
9 retirement system. In order to effectuate the funding for the
10 change in benefits for the annuitants of the teachers' retirement
11 system, the board shall prepare a supplemental pension funding
12 schedule which shall be designed to reduce the actuarial pension
13 liability attributed to the seventy-five percent purchasing power
14 protection to zero on or before June thirtieth, two thousand and
15 five; provided that in preparing such schedule the board shall con-
16 sider the actuarial value and the market value of the systems
17 assets and liabilities, the long term investment rate of return on
18 the systems assets and the systems unfunded actuarial liability,
19 and provided further, that the board shall triennially update such
20 supplemental schedule until said June thirtieth, two thousand and
21 five. The teachers' retirement board shall file said report together
22 with its recommendations and draft legislation necessary to carry

23 out such recommendations into effect by filing the same with the
24 clerk of the House of Representatives, the joint committee on
25 public service and the house and senate committees on ways and
26 means on or before December 31, 2006.